



DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY FORCES COMMAND
FORT MCPHERSON, GEORGIA 30330-8000

REPLY TO
ATTENTION OF

AFLG-PROM

22 October 1996

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Contracting Information Letter (CIL) 97-4, Federal Acquisition Computer Network (FACNET) Class Exemption

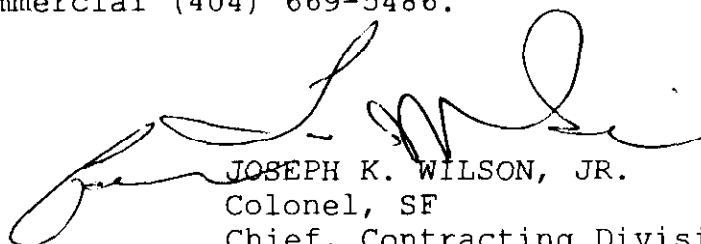
1. The purpose of this CIL is to provide the determination by the Head of the Contracting Activity (enclosure 1) exempting Commercial Items between \$2500 and \$25,000 that can be purchased with the International Merchant Purchase Authorization Card (IMPAC) from the requirement to solicit via FACNET. (See implementation procedures provided with Acquisition Letter 96-3 - Purchase of Commercial Items valued Between \$2,500 and \$25,000 Using the IMPAC Purchase Card, 17 Jul 96.)
2. Recommend that you initiate use of this new purchase card procedure immediately in order to further streamline the acquisition process. Again, this procedure is not for every card holder, but use it whenever there is a real need for decentralizing purchases of commercial items up to \$25,000.
3. Within the contracting office, purchases for Commercial Items may be made with the IMPAC up to the Simplified Acquisition Threshold as long as the requirement is properly advertised, the contractor agrees to comply with all provisions required by statute or Executive Order, and purchases comply with the Small Business Act.
4. To report purchase card buys over \$2500, recommend you use either the SAACONS Blanket Purchase Agreement function with an "A" in the ninth position (give Rocky Mountain Bank as the vendor) or the purchase order function with a "W" in the ninth position of the PIIN. Monthly reporting of purchase card transactions should be IAW the FORSCOM SADBUE Office instructions at enclosure 2.
5. Additionally, at enclosure 3 is the signed memorandum from U.S. Army Contracting Support Agency advising of the permanent change to the card holder monthly limit cycle. This information in draft format was previously sent electronically to all FORSCOM Directorates of Contracting for comment.

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6. For additional information, please contact Mrs. Pat Boterweg,
DSN 367-5486 or commercial (404) 669-5486.

3 Encls



JOSEPH K. WILSON, JR.

Colonel, SF

Chief, Contracting Division, DCSL&R
Principal Assistant Responsible
for Contracting

DISTRIBUTION:

COMMANDERS

XVIII ABN CORPS & FT BRAGG, ATTN: AFZA-DC

101ST ABN DIV (ASSLT) & FT CAMPBELL, ATTN: AFZB-DOC

FT CARSON, ATTN: AFZC-DOC

ATLANTA AREA CONTRACTING CENTER, ATTN: AFLG-PRC

FT DEVENS, ATTN: AFRC-FMD-DOC

FT DIX, ATTN: AFZT-DOC

10TH MTN DIV & FT DRUM, ATTN: AFZS-DOC

CHARLES E. KELLY SUPPORT FACILITY, ATTN: AFZS-CK-C

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I CORPS & FT LEWIS, ATTN: AFZH-DOC

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FT MCCOY, ATTN: AFZR-DC

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FORSCOM SADBUI

USARC, ATTN: AFRC-LGL-A



DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY FORCES COMMAND
FORT MCPHERSON, GEORGIA 30330-6000

AFLG-PR

REPLY TO
ATTENTION OF

3 Oct 96

DETERMINATION & FINDINGS

Federal Acquisition Computer Network (FACNET) Class Exemption
for Commercial Items Valued Between \$2,500-\$25,000

FINDINGS

1. FACNET, the preferred method of soliciting Simplified Acquisitions (FAR 13.106), is neither practical nor cost effective if the International Merchant Purchase Authorization Card (IMPAC) can be used.
2. Supplies and services available for purchase with the IMPAC are Commercial Items as defined by FAR 2.101. Adequate competition generally exists in local markets to ensure prices are fair and reasonable. Commercial Items acquired with the IMPAC are solicited orally for firm-fixed prices.
3. Army policy allows for establishment of agreements permitting oral solicitation and award/payment with the IMPAC. Vendors accepting the IMPAC for purchases over \$2,500 must comply with all provisions required by statute or Executive Order.
4. Use of the Standard Form 1449, Solicitation/Contract/Order for Commercial Items, is not practicable.
5. Use of the IMPAC to acquire commercial supplies and services up to \$25,000 streamlines the procurement process and is more practical and cost effective than FACNET.

DETERMINATION

Pursuant to FAR 13.106-2(a)(3), it is determined that FACNET is not practical for commercial supplies and services between \$2,500 and \$25,000; use of the IMPAC program is in the best interest of the Government. The authority herein expires 31 July 1998.

DAVID A. BRAMLETT
General, USA
Commanding

End 1



DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY FORCES COMMAND
FORT MCPHERSON, GEORGIA 30330-6000

REPLY TO
ATTENTION OF

AFCS-SB

17 September 1996

MEMORANDUM FOR DIRECTORS OF CONTRACTING

SUBJECT: Reporting of Credit Card Awards on DD Form 1057

1. Beginning with September's DD Form 1057, we are changing the information about your credit card program that you report to us in the Remarks Section of the DD Form 1057. On all future DD Forms 1057, report credit card actions and dollars of \$2,500 or less (micropurchases) on Remarks lines 1 and 2, respectively and credit card actions and dollars in excess of \$2,500 on Remarks lines 3 and 4, respectively.

2. This change will allow us to adjust the credit card base to include credit card awards over \$2,500. It is necessitated by the anticipated increase in the use of the credit card as a payment vehicle.

Sincerely,

A handwritten signature in cursive script, reading "Jerry L. Blaydes", is positioned above the typed name.

JERRY L. BLAYDES

Associate Director for Small
and Disadvantaged Business
Utilization

Encl 2



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
US ARMY CONTRACTING SUPPORT AGENCY
5109 LEESBURG PIKE SUITE 916
FALLS CHURCH VA 22041-3201

17 OCT 1996

22 OCT 1996



SFAE-CSA-PPP

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: IMPAC Purchase Card, Change to 30-Day Spending
Limit Computation

On September 17, 1996, Rocky Mountain BankCard System (RMBCS) advised the Army of recently implemented changes to the 30-day purchase card spending limit computation. Unfortunately, these changes occurred prior to our notification and several of your offices experienced problems with card limits as a result. We advised RMBCS of our displeasure with their failure to coordinate these changes with us and we have been assured this will not occur again. We have been advised that reversing the change at this time will probably create more problems than benefits.

RMBCS now "resets" the 30-day limit on the first day of each calendar month. The 30-day limit now actually becomes the monthly limit. The changes will impact how you compute the allocation of funding to the cardholder and how the cardholder computes remaining balances on their card. Rather than the cardholder resetting their balance at the end of the billing cycle, 23rd of each month, [s]he will do so on the 1st of each month. Resource managers must be aware that this change now creates a disconnect between the days included in the 30-day purchase limit and the days reflected on the billing statements. These changes will also apply to the approving official's 30 day limit.

Please assure this information is passed on to all cardholders, approving officials, agency program coordinators and resource managers. If further questions arise, please call Mr. Bruce E. Sullivan at (703) 681-7564/(DSN) 761-7564 or e.mail at sullivanb@sarda.army.mil.

Thomas W. Colangelo

Thomas W. Colangelo
Chief, Policy and Procedures
Division

